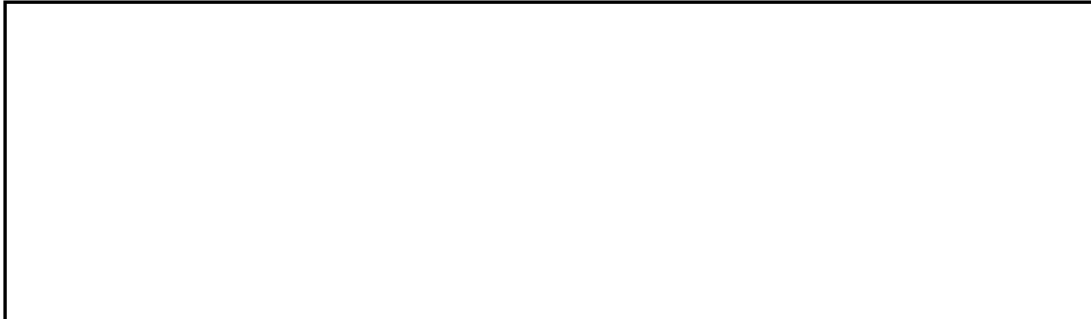


25X1

Approved For Release 2004/08/16 : CIA-RDP86T00608R000500040029-3

Next 2 Page(s) In Document Exempt

Approved For Release 2004/08/16 : CIA-RDP86T00608R000500040029-3



*C O N T E N T S*

Nordic Foreign Ministers' Conference Concludes in Oslo . . . . .	1
Spain Passes New Anti-Terrorist Law . . . . .	2
Summary of Events in Portugal . . . . .	4

August 28, 1975

Nordic Foreign Ministers' Conference Concludes  
in Oslo

A communique marking the end of the meeting this week of foreign ministers from Norway, Sweden, Denmark, Finland, and Iceland, expressed strong opposition to any attempt to expel or suspend Israel from the UN and applauded current efforts to reach a Middle East peace settlement. The ministers also decided that Nordic aid to Portugal would continue.

There was some equivocation in support for Iceland's plans to extend its fishing limit to 200 nautical miles. Despite an expression of general understanding of Icelandic motives, no direct support for the extension was offered, a distinct disappointment for Prime Minister Halgrimmsson.

Iceland had hoped to garner as much public support as possible from conference participants.

25X1

25X1

August 28, 1975

-1-

Spain Passes Tough New Anti-Terrorist Law

The Spanish government's new crackdown on political dissent, could arouse protests that will test the cohesiveness of Spain's dominant political and military forces.

A tough new anti-terrorist law, approved by the cabinet last Friday, imposes an automatic death penalty on anyone convicted of killing a member of the security forces. The law also prescribes the same sentence in cases where a kidnaping results in the death of a hostage. The decree will be applied retroactively to at least 16 accused terrorists already under detention.

The first test of the law began yesterday in the trial of two Basques charged with killing a member of the paramilitary civil guard. Spaniards are likely to compare the trial with the famous Burgos trial of 1970, in which 6 Basque terrorists were sentenced to death.

Franco commuted their sentences to 30 years imprisonment, but not before the verdict had led to widespread demonstrations, involving students, workers, and the church, and adverse reaction from abroad. The affair also revealed serious disagreements among various sectors of the power elite as to the direction future developments in Spain should take.

If a similar storm of protest arises this time, the strain on Spain's ruling circles

August 28, 1975

25X1

could be compounded by publicity given to the cases of the military officers recently arrested for political activity.

25X1

The anti-terrorist law's provision for closing newspapers that show sympathy for the terrorists and the government's recent threat to resort to legal action against papers spreading rumors about Franco stepping down are likely to add fuel to opposition protests and further divide regime supporters. Three of Spain's most influential weekly newspapers were seized on August 27, the day the new law came into effect.

Differences already exist within the government and military on such questions as the handling of dissent, the proper way to deal with terrorists, and the general advisability of looser political controls. Those favoring a tough approach have seemed to be in the ascendancy recently.

A strong reaction, however, could lead to a more forceful stand by some Spanish leaders, such as Prime Minister Arias, who are seeking to improve Spain's image and who believe the only way to achieve a smooth transfer of power is to begin now to ease political restrictions.

25X1

25X1

August 28, 1975

25X1

Summary of Events in Portugal

Efforts to break Prime Minister Goncalves' tenacious grip on power continued in Lisbon this week, but seemed to have lost some momentum. Goncalves appears to have bought some time by threatening to bring his Communist supporters into the streets if he is removed—an action which could result in civil war. In the see-saw political confrontation, Goncalves seemed to be gaining as the August 26 deadline his opponents had set for his removal passed with the prime minister still in office. A few days later, however, there were again reports that he might be ousted at any moment.

The anti-Goncalves forces which had gathered support for a relentless drive to oust the prime minister and reduce the growing Communist influence in Portugal, appear to have been sidetracked by President Costa Gomes' vacillation and fear that Goncalves would make good on his threat to provoke civil war. On 25 August representatives of the original nine dissident Revolutionary Council members who collaborated on an anti-regime manifesto drafted by former foreign minister Melo Antunes, met with the ruling three-man directorate and a compromise seemed in the making.

The Revolutionary Council issued a communique the same day announcing three decisions that seemed to contain something for each faction. General Corvacho, generally considered to be sympathetic to the Communists, was reinstated as commander of the northern

August 28, 1975

military region after having been suspended the week before. At the same time, the operations of pro-Communist propaganda division of the armed forces general staff were suspended pending an investigation, and it was announced that the armed forces general assembly would meet next week.

Rumors of a compromise took on added significance when it was learned on 26 August that army chief of staff Fabiao, who had been designated by the Antunes group to take over as prime minister, had abandoned his efforts to form a new government. Speculation then focused on Admiral Azevedo, navy chief of staff, as a possible successor to Goncalves. Azevedo might be acceptable to many of Goncalves' supporters in the military, but because of his leftist credentials the Admiral would probably be rejected by the Antunes group.

25X1

The Communists, meanwhile, seeing a chance to retain Goncalves, took the offensive by organizing a United Front of extreme leftist parties and revolutionary groups and promising a series of pro-Goncalves rallies throughout the nation. The first of these rallies was held on the evening

August 28, 1975

[REDACTED]  
of August 27 [REDACTED]

25X1

[REDACTED] With the apparent intention of intimidating President Costa Gomes, who holds the key to the situation by virtue of his power to dismiss the prime minister, some 35,000 demonstrators cheered Goncalves but roundly booed the president when he took the platform.

Underlining the growing chasm between Lisbon, the center of Communist strength, and most of the rest of the nation, the Socialist Party organized a rally of some 50,000 in the northern city of Porto on the same night to demand Goncalves' removal and to protest the reinstatement of General Corvacho as regional commander. One member of the Antunes group earlier predicted the possibility of civil war, regardless of the outcome of the current struggle for power. The growing anti-Communist violence in the north, and the apparent determination of the Communists in Lisbon, makes that seem an increasingly likely possibility.

[REDACTED]

25X1

August 28, 1975